

## **ELECTRONIC FUNDS TRANSFER (EFT) MANAGEMENT POLICY**

### **For Payroll and Accounts Payable**

#### **Context:**

Since 2014, the Kerrisdale Community Centre Society (KCCS) has used electronic funds transfer (EFT) to pay the Society's instructors and employees. This is convenient for instructors and employees, and minimizes the amount of cheque signing and handling required.

In light of changing financial practices, the Finance Committee recommends that the Society now authorize the use of electronic fund transfer for all invoices.

#### **Responsibility:**

KCCS Finance Committee.

#### **Scope and Limits:**

The Electronic Funds Transfer (EFT) Policy applies to all payments made by the Society on condition that the required documentation and payment authorization is provided.

#### **Management Process Controls:**

##### User Access

- Access to the electronic funds transfer (EFT) platform is granted to 2 users: (1) the Society's Accounting Manager, and (2) Clerk III. Access allows the user to input, amend, authorize and upload the online transactions.
- A portable security device with a password is used to access the EFT platform; the password is required to be changed every 6 months.

##### Payment authorization

The requirements for issuing EFTs are the same as for payments by cheque; the payment amount must be documented by an authorized requestor and two approved signatories must sign the EFT payment confirmation.

- The Society's Accountant (and/or Clerk III) will print the batch payment confirmation from the online banking platform and reconcile it as part of the monthly bank reconciliation which is reviewed by the Treasurer or designated member of the Finance Committee.
- The dollar value limit per batch payroll or accounts payable is restricted to a maximum of \$25,000. Any amounts greater than this limit of \$25,000 (either for a single payment to one individual, or cumulatively as an aggregate payment total per batch) will require the approval from a third Director either from the Finance or Executive Committee.

#### **Compliance Control:**

- The overall compliance with the EFT process will be reviewed annually in January by the Finance Committee which will act to correct deficiencies or authorize ongoing use of the online banking platform.